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**ST. LANDRY FIRE PROTECTION  
DISTRICT NO. II**

Port Barre, Louisiana

**Financial Report**

Year Ended December 31, 2007

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6/11/08

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## INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
St. Landry Fire Protection District No. II  
Port Barre, Louisiana

We have audited the accompanying financial statements of the governmental activities and major fund of the St. Landry Fire Protection District No. II, (the District) a component unit of the St. Landry Parish Government, as of and for the year ended December 31, 2007, which collectively comprise the District's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the St. Landry Fire Protection District No. II, as of December 31, 2007, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated May 2, 2008, on our consideration of the St. Landry Fire Protection District No. II's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The required supplementary information on page 21 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The prior year comparative information on the required supplementary information has been derived from the St. Landry Fire Protection District No. II's 2006 financial statements, which were reviewed by us and, in our report dated May 8, 2007, we stated that we were not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

The St. Landry Fire Protection District No. II has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Landry Fire Protection District No. II's basic financial statements. The accompanying financial information listed as "Other Supplementary Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The prior year comparative information on the other supplementary information has been derived from the St. Landry Fire Protection District No. II's 2006 financial statements, which were reviewed by us and, in our report dated May 8, 2007, we stated that we were not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
May 2, 2008

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Statement of Net Assets  
December 31, 2007

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 83,835
Revenue receivable	<u>755,846</u>
Total current assets	839,681
Noncurrent assets:	
Capital assets, net	<u>100,471</u>
Total assets	<u>940,152</u>
LIABILITIES	
Current liabilities:	
Accounts payable	<u>37,916</u>
NET ASSETS	
Invested in capital assets, net of related debt	100,471
Unrestricted	<u>801,765</u>
Total net assets	<u>\$ 902,236</u>

See accountants' report and accompanying notes to financial statements.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Statement of Activities  
For the Year Ended December 31, 2007

	Activities	Expenses	Program Revenues Operating Grants and Contributions	Net (Expense) Revenues and Changes in Net Assets	
				Governmental Activities	
Governmental activities:					
Public safety - fire		<u>\$471,516</u>	<u>\$19,929</u>		<u>\$ (451,587)</u>
General revenues:					
Property taxes				790,545	
State revenue sharing				36,756	
Interest and investment earnings				1,536	
Miscellaneous				<u>10,705</u>	
Total general revenues				<u>839,542</u>	
Change in net assets				387,955	
Net assets - January 1, 2007				<u>514,281</u>	
Net assets - December 31, 2007				<u>\$ 902,236</u>	

See accountants' report and accompanying notes to financial statements.



**FUND FINANCIAL STATEMENTS (FFS)**

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Balance Sheet - Governmental Fund  
December 31, 2007

	<u>General Fund</u>
ASSETS	
Cash	\$ 83,835
Revenue receivable-	
Ad valorem taxes, net of allowance for uncollectible taxes	
taxes of \$79,979	719,810
State revenue sharing	<u>36,036</u>
 Total assets	 <u>\$839,681</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 9,887
Accrued liabilities	1,760
Pension fund deduction payable	<u>26,269</u>
Total liabilities	37,916
 Fund balance:	
Unreserved, undesignated	<u>801,765</u>
 Total liabilities and fund balance	 <u>\$839,681</u>

See accountants' report and accompanying notes to financial statements.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Assets  
December 31, 2007

Total fund balance for the governmental fund at December 31, 2007		\$ 801,765
Capital assets at December 31, 2007	\$ 606,888	
Less: Accumulated depreciation	<u>(506,417)</u>	<u>100,471</u>
Total net assets of governmental activities at December 31, 2007		<u>\$ 902,236</u>

See accountants' report and accompanying notes to financial statements.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Fund  
Year Ended December 31, 2007

	<u>General Fund</u>
Revenues:	
Ad valorem taxes	\$790,545
Intergovernmental revenues -	
State revenue sharing	36,756
Fire insurance rebate	19,929
Other	10,705
Interest income	<u>1,536</u>
Total revenues	<u>859,471</u>
Expenditures:	
Current -	
Public safety - fire	457,554
Capital outlay	<u>6,000</u>
Total expenditures	<u>463,554</u>
Excess of revenues over expenditures	395,917
Fund balance, beginning	<u>405,848</u>
Fund balance, ending	<u>\$801,765</u>

See accountants' report and accompanying notes to financial statements.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of Governmental Fund  
to the Statement of Activities  
For the Year Ended December 31, 2007

Total net change in fund balance for the year ended December 31, 2007 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 395,917
Add: Capital outlay which is considered as expenditure on Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ 6,000
Less: Depreciation expense for the year ended December 31, 2007	<u>(13,962)</u> <u>(7,962)</u>
Total change in net assets for the year ended December 31, 2007 per Statement of Activities	<u>\$ 387,955</u>

See accountants' report and accompanying notes to financial statements.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the St. Landry Fire Protection District No. II (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The St. Landry Parish Fire Protection District No. II is a component unit of the St. Landry Parish Government. The District was established in 1955 to provide fire protection and rescue service for the residents of the District.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

The fund of the District is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. The District has only one fund, a governmental fund. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Fire District is described below:

Governmental Fund -

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781 is the principal fund of the District and is used to account for the operations of the District. General operating expenditures are paid from this fund.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets. In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

**Basis of Accounting**

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Assets, Liabilities and Equity**

**Cash and interest-bearing deposits**

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the District.

**Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.



ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	30 years
Equipment, furniture and fixtures	5 years
Fire engines	10 years

Employee Benefit Policy

Employees of the District who have been employed for one year earn 18 days of vacation pay. After ten years of service, they earn one additional day of vacation pay for each year worked up to the maximum of 30 days. All employees are entitled to 12 days sick pay after being employed for three months. No sick pay is paid upon resignation or retirement. Employees of the District are not allowed to carry over vacation; therefore no accruals have been made for accumulated unpaid vacation and sick leave.

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

E. Budgets and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to January 1, the Chairman submits to the Board a proposed budget for the ensuing year. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
3. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
4. All budgetary appropriations lapse at the end of each fiscal year.
5. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Fire District. Such amendments were not material in relation to the original appropriations.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

(2) Cash and Interest-Bearing Deposits

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The District may invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2007, the District has cash and cash equivalents (book balances) totaling \$83,835 as follows:

	Governmental Activities
Demand deposits	<u>\$83,835</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the District's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the District or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2007, are secured as follows:

Bank balances	<u>\$ 88,069</u>
Secured by:	
Federal deposit insurance	<u>\$ 88,069</u>

As of December 31, 2007, the District's total bank balances were fully insured and, therefore, not exposed to custodial credit risk.

(3) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September or October and billed to the taxpayers by the St. Landry Parish Sheriff in December. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the St. Landry Assessor and are collected by the St. Landry Parish Sheriff.

For the year ended December 31, 2007, taxes were levied at the rate of 35.30 mills on property with assessed valuations totaling \$30,458,987.

Total taxes levied during 2007 were \$1,075,208 of which \$240,344 was excluded due to homestead exemption. Taxes receivable at December 31, 2007 were \$755,846, net of allowance for uncollectible taxes of \$79,979.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

(4) Capital Assets

Capital asset balances and activity for the year ended December 31, 2007 are as follows:

	Balance 01/01/07	Additions	Deletions	Balance 12/31/2007
Land	\$ 11,659	\$ -	\$ -	\$ 11,659
Buildings	254,543	-	-	254,543
Equipment, furniture and fixtures	107,151	6,000	-	113,151
Fire engines	227,535	-	-	227,535
Totals	600,888	6,000	-	606,888
Less: Accumulated depreciation	492,455	13,962	-	506,417
Net capital assets	<u>\$ 108,433</u>	<u>\$ (7,962)</u>	<u>\$ -</u>	<u>\$ 100,471</u>

Depreciation expense of \$13,962 was charged to the public safety function.

(5) Retirement Commitments

- A. All employees of the St. Landry Fire Protection District No. II are members of the Federal Social Security System. The District and its employees contribute a percentage of each employee's salary to the System (7.65% contributed by the District; 7.65% by the employee). The District's contribution during the year ended December 31, 2007 amounted to \$21,866.
- B. Two firefighters are also members of the Firefighters Retirement Plan. Membership is mandatory as a condition of employment beginning on date employed if the employee is on a permanent basis as a firefighter, not participating in another publicly funded retirement system and under age fifty (50) at date of employment. Employees who retire at or after age 50 with at least 20 years of credited service, or at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 3-1/3 percent of their average final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

Plan members are required to contribute 8.0% of their annual covered salary. The District is required to contribute the statutory rate (currently 13.75%) of the total annual covered salary. The contribution requirements of Plan members are established and may be amended by the System's Board of Trustees. The District's contributions to the System for the years ended December 31, 2007, 2006 and 2005 were \$7,675, \$8,387 and 10,883, respectively, equal to the required contributions for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to Firefighters Retirement System, P.O. Box 94095 Capitol Station, Baton Rouge, LA 70804-9095.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

(6) Risk Management

The District is exposed to risks of loss in the areas of auto and property liability and surety bonds. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

(7) Litigation

As of December 31, 2007, the District is not involved in any litigation.

(8) Compensation of Board Members

A detail of compensation paid to Board Members for the year ended December 31, 2007 follows:

John P. Ardoin, Secretary/Treasurer	\$ 4,494
James Kennison	696
John Lamury	588
Mike Savant	535
Don LeBlanc, Chairman	1,980
Jerry Soileau	<u>642</u>
Total	<u>\$ 8,935</u>

The schedule of compensation paid to board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Board members received \$53 per diem for attendance at regular meetings of the Board and the chairman received \$107 per month as an expense allowance.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Budgetary Comparison Schedule  
General Fund  
Year Ended December 31, 2007  
With Comparative Actual Amounts for Year Ended December 31, 2006

	2007			Variance with Final Budget	2006
	Budget		Actual	Positive (Negative)	Actual
	Original	Final			
Revenues:					
Ad valorem taxes	\$ 406,923	\$ 752,800	\$ 790,545	\$ 37,745	\$376,400
Intergovernmental revenues -					
State revenue sharing	26,242	34,620	36,756	2,136	33,918
Fire insurance rebate	18,668	19,950	19,929	(21)	18,668
Other	-	10,705	10,705	-	6,630
Interest income	3,000	1,500	1,536	36	4,052
Total revenues	<u>454,833</u>	<u>819,575</u>	<u>859,471</u>	<u>39,896</u>	<u>439,668</u>
Expenditures:					
Current -					
Public safety	402,223	452,240	457,554	(5,314)	413,249
Capital outlay	1,583	7,750	6,000	1,750	1,422
Total expenditures	<u>403,806</u>	<u>459,990</u>	<u>463,554</u>	<u>(3,564)</u>	<u>414,671</u>
Excess of revenues over expenditures	51,027	359,585	395,917	36,332	24,997
Fund balance, beginning	<u>405,848</u>	<u>405,848</u>	<u>405,848</u>	<u>-</u>	<u>380,851</u>
Fund balance, ending	<u>\$ 456,875</u>	<u>\$ 765,433</u>	<u>\$ 801,765</u>	<u>\$ 36,332</u>	<u>\$405,848</u>

**OTHER SUPPLEMENTARY INFORMATION**



ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Comparative Balance Sheet - Governmental Fund  
December 31, 2007 and 2006

	General Fund	
	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
Cash	\$ 83,835	\$ 38,029
Revenue receivable-		
Ad valorem taxes, net of allowance for uncollectible taxes		
taxes (2007 - \$79,979, 2006 - \$40,692)	719,810	366,231
State revenue sharing	<u>36,036</u>	<u>33,912</u>
Total assets	<u>\$839,681</u>	<u>\$438,172</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	\$ 9,887	\$ 11,760
Accrued liabilities	1,760	7,732
Pension fund deduction payable	<u>26,269</u>	<u>12,832</u>
Total liabilities	37,916	32,324
Fund balance:		
Unreserved, undesignated	<u>801,765</u>	<u>405,848</u>
Total liabilities and fund balance	<u>\$839,681</u>	<u>\$438,172</u>

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Fund  
Years Ended December 31, 2007 and 2006

	General Fund	
	<u>2007</u>	<u>2006</u>
Revenues:		
Ad valorem taxes	\$790,545	\$376,400
Intergovernmental revenues -		
State revenue sharing	36,756	33,918
Fire insurance rebate	19,929	18,668
Other	10,705	6,630
Interest income	<u>1,537</u>	<u>4,052</u>
Total revenues	<u>859,471</u>	<u>439,668</u>
Expenditures:		
Current -		
Public safety - fire	457,554	413,249
Capital outlay	<u>6,000</u>	<u>1,422</u>
Total expenditures	<u>463,554</u>	<u>414,671</u>
Excess of revenues over expenditures	395,917	24,997
Fund balance, beginning	<u>405,848</u>	<u>380,851</u>
Fund balance, ending	<u>\$801,765</u>	<u>\$405,848</u>

ST. LANDRY FIRE PROTECTION DISTRICT NO. II  
Port Barre, Louisiana

Statement of Expenditures Compared to Budget (GAAP Basis) -  
General Fund  
Year Ended December 31, 2007  
With Comparative Actual Amounts for Year Ended December 31, 2006

	2007				
	Budget			Variance -	2006
	Original	Final	Actual	Favorable (Unfavorable)	Actual
Current:					
Public safety -					
Board fees	\$ 8,988	\$ 8,944	\$ 8,935	\$ 9	\$ 8,453
Salaries	181,856	181,422	181,458	(36)	177,978
Extra shifts and call out time	39,000	57,370	64,988	(7,618)	64,412
Payroll taxes	19,225	21,320	21,929	(609)	21,174
Pension plan contribution	7,916	7,750	7,675	75	8,387
Pension deduction	11,670	25,600	26,269	(669)	12,832
Repairs and maintenance	6,500	3,313	3,126	187	7,121
Office expense	1,466	2,550	3,743	(1,193)	2,757
Supplies	5,200	3,800	3,764	36	3,737
Professional fees	8,863	9,010	8,805	205	8,495
Telephone and utilities	12,934	11,580	10,800	780	11,352
Insurance	91,205	99,650	95,779	3,871	78,151
Gasoline and oil	5,200	4,130	4,011	119	4,805
Uniforms	1,000	140	118	22	1,614
Tax election fees	-	14,661	15,102	(441)	-
Miscellaneous	1,200	1,000	1,052	(52)	1,981
Total public safety	402,223	452,240	457,554	(5,314)	413,249
Capital outlay	1,583	7,750	6,000	1,750	1,422
Total expenditures	\$403,806	\$459,990	\$463,554	\$ (3,564)	\$414,671

**INTERNAL CONTROL  
AND  
COMPLIANCE**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners  
St. Landry Fire Protection District No. II  
Lafayette, Louisiana

We have audited the financial statements of the governmental activities and the major fund of the St. Landry Fire Protection District No. II (the District), a component unit of the St. Landry Parish Government as of and for the year ended December 31, 2007, which comprise the District's basic financial statements and have issued our report thereon dated April 9, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### ***Internal Control Over Financial Reporting***

In planning and performing our audit, we considered the St. Landry Fire Protection District No. II's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the St. Landry Fire Protection District No. II's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control. We consider the control deficiencies described in the accompanying summary schedule of current year audit findings and management's corrective action plan as items 07-1(IC) and 07-2(IC) to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

### ***Compliance***

As part of obtaining reasonable assurance about whether the St. Landry Fire Protection District No. II's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
May 2, 2008

**ST. LANDRY FIRE PROTECTION DISTRICT NO. II**  
**Port Barre, Louisiana**

**Summary Schedule of Current Year Audit Findings  
and Management's Corrective Action Plan  
For the Year Ended December 31, 2007**

Ref. No.	Fiscal Year Finding Initially Occurred	Description of finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
<b>CURRENT YEAR (12/31/07) --</b>						
<u>Internal Control:</u>						
07-1(IC)	2007	Due to the small number of employees, the District did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Don Leblanc, Chairman	N/A
07-2(IC)	2007	The District does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.	No	The District has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the District to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Don Leblanc, Chairman	N/A